



The News Journal
Media Group

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Of the **The News Journal Media Group**, a newspaper printed, published and circulated in the State of Delaware, who being duly sworn, depose and saith that the advertisement of which the annexed is a true copy, has been published in the said newspaper 2 times, once in each issue as follows:

09/01/16, 09/02/16 A.D 2016

Linda Barber

Ad Number: 0001550649



Sherry Ann Salvia
Sworn and subscribed before me, this 6 day of
September, 2016

Legal notification printed at larger size for affidavit.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

| | | |
|---------------------------------------|---|-----------------------|
| IN THE MATTER OF THE APPLICATION |) | |
| OF DELMARVA POWER & LIGHT COMPANY, |) | |
| EXELON CORPORATION, PEPSCO HOLDINGS, |) | PSC DOCKET NO. 14-193 |
| INC., PURPLE ACQUISITION CORPORATION, |) | |
| EXELON ENERGY DELIVERY COMPANY, LLC |) | |
| AND SPECIAL PURPOSE ENTITY, LLC |) | |
| FOR APPROVALS UNDER THE PROVISIONS |) | |
| OF 26 Del. C. §§ 215 AND 1016 |) | |
| (FILED JUNE 18, 2014) |) | |

PUBLIC NOTICE

HEARING CONCERNING ALLOCATION OF ADDITIONAL BENEFITS

RELATED TO TRANSFER OF CONTROL

The Delaware Public Service Commission (the "Commission") will conduct a hearing related to the allocation of additional benefits under the Amended Settlement Agreement approved by the Commission related to a change of control of Delmarva Power & Light Company ("Delmarva Power") at the following time and location:

| Date and Time | Location |
|---|---|
| Tuesday, September 20, 2016, commencing at 1:00 p.m. | Delaware Public Service Commission Cannon Building Hearing Room 861 Silver Lake Boulevard Dover, Delaware 19904 |

On June 18, 2014, Delmarva Power, Exelon Corporation ("Exelon"), Pepco Holdings, Inc. ("PHI"), Purple Acquisition Company, Exelon Energy Delivery Company, LLC ("EEDC"), and Special Purpose Entity, LLC ("SPE") (collectively, the "Applicants") filed an application (the "Application") seeking approvals under 26 Del. C. §§ 215 and 1016 for a change of control of Delmarva Power to be effected by a merger of PHI with a wholly owned subsidiary of Exelon (the "Merger").

On April 7, 2015, the Applicants, the Delaware Public Service Commission Staff ("Staff"), the Delaware Division of the Public Advocate (the "Public Advocate"), and intervenors Delaware Department of Natural Resources and Environmental Control ("DNREC"), the Delaware Sustainable Energy Utility (the "SEU"), Mid-Atlantic Renewable Energy Coalition ("MAREC"), and the Clean Air Council ("CAC") (collectively, the "Settling Parties") entered into an Amended Settlement Agreement (the "Amended Settlement Agreement"). Among other provisions, the Amended Settlement Agreement included a "most favored nation" ("MFN") provision, pursuant to which the Applicants agreed, subject to conditions specified in the Amended Settlement Agreement, to provide additional benefits in the State of Delaware if greater benefits were ordered or agreed to by the Applicants in connection with approval of the Merger in another jurisdiction.

Following an evidentiary hearing conducted on April 7, 2015, and public deliberations conducted on May 19, 2015, the Commission adopted Order No. 8746 on June 2, 2015, which approved the Merger pursuant to the terms of the Amended Settlement Agreement. The Commission reserved jurisdiction to consider the allocation of additional benefits arising from the MFN provisions of the Amended Settlement Agreement. After receipt of all required approvals (including that of the Commission by Order No. 8746), Exelon and PHI completed the Merger on March 23, 2016. PHI's subsidiaries (including Delmarva Power) now operate as part of Exelon's holding company system. Delmarva Power remains as a separate public utility and will continue to provide electric and natural gas delivery to its Delaware customers as a subsidiary of Exelon.

The Amended Settlement Agreement provided for benefits to Delmarva Power's Delaware customers, with a total value of approximately \$45,006,009. Among other things, in April and May 2016, Delmarva Power's residential electric and natural gas delivery customers received bill credits from Delmarva Power totaling \$40,000,000.

The Settling Parties have agreed that under the MFN provisions of the Amended Settlement Agreement, additional benefits totaling \$27.1 million are due in to be provided in Delaware.

At the hearing on September 20, 2016, the Commission will hear from the parties and consider how to allocate additional benefits

near from the parties and consider how to allocate additional benefits from the Merger. The Applicants have filed a summary of the additional benefits to be provided in Delaware under the MFN provisions, and have calculated the amount of additional benefits to be \$27,132,618 (in addition to the \$44,006,009 provided for under the Amended Settlement Agreement). On August 12, 2016, certain parties filed proposals for the allocation of additional benefits. The parties presently anticipate filing a summary of their respective positions on a proposed allocation by August 29, 2016. Pursuant to the Amended Settlement Agreement, the Commission retains the authority to allocate the additional benefits.

Any person who wishes to submit written comments related to the MFN provision or the allocation of additional benefits may submit such comments in writing on or before 5:00 p.m. on Monday, September 12, 2016. Comments may be submitted in writing to the Commission or may be filed through the Commission's website at Commission's website at: <https://delafile.delaware.gov>.

Anyone planning to attend the hearing should consult the Commission's website prior to the day of the hearing for cancellations, changes in the date or time or how the hearings will be conducted.

You are invited to review Applicants' Application, the Amended Settlement Agreement, the non-confidential testimony and materials filed by the Applicants and other parties, and any other non-confidential materials subsequently filed in this matter. You may review documents posted on the Commission's website at <https://delafile.delaware.gov>.

If you would like to review documents at the Commission's offices, please contact the Commission Staff to arrange a time for your review. You may also review copies of the Applicants' Application, the Amended Settlement Agreement or related documents at the office of the Division of the Public Advocate at either of its two locations: (1) the Carvel State Office Building, 820 North French Street, 4th Floor, Wilmington, Delaware 19801; or (2) 29 South State Street, Dover, Delaware 19901. Please call (302) 577-5077 (Wilmington) or (302) 241-2555 (Dover) to arrange a time for such review.

If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. This form may be found at:

<http://smu.portal.delaware.gov/cgi-bin/mail.php?foia-request&subj=DOS>

The Commission will respond to your request in accordance with the Delaware Freedom of Information Act, 29 Del. C. ch. 100.

If you have a disability and wish to participate or to review the materials in this matter, please contact the Commission to discuss any auxiliary aids or services you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet e-mail, or other means.

If you have questions about this matter, you may call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions regarding this matter by Internet e-mail addressed to Connie.McDowell@state.de.us.

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